

## 102ND GENERAL ASSEMBLY State of Illinois 2021 and 2022 HB5376

by Rep. Daniel Didech

## SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.970 new 230 ILCS 45/25-10 230 ILCS 45/25-90 230 ILCS 45/25-100

Amends the Sports Wagering Act and the State Finance Act. Provides that 6% of the moneys in the Sports Wagering Fund that are attributable to sports wagering on collegiate sport or athletic events shall be transferred to the Collegiate Sport Services Fund, a special fund in the State treasury. Provides for distribution of the moneys in the Fund to NCAA Division I institutions of higher education according to the classification of their conferences and the sports played by those institutions. Provides that moneys in the Fund shall be used for support services in relation to collegiate athlete mental health, monitoring of sport wagering activities and compliance services, and the establishment and maintenance of a line of communication for athletic departments of Division I institutions of higher education to report issues to the Gaming Board. Provides that each Division I institution of higher education may provide a list of names of collegiate athletes and staff members to the Gaming Board if the Gaming Board deems it appropriate to prohibit those persons from engaging in sports wagering under this Act, and that the Gaming Board shall require master sports wagering licensees to: prohibit each of the collegiate athletes and staff members named by the institution from establishing a sports wagering account under this Act; and close any accounts that were opened by the collegiate athletes and staff members before their names were provided to the Board. Provides that each Division I institution of higher education may add to or remove names from its list from time to time by notifying the Board.

LRB102 24838 WGH 34084 b

1 AN ACT concerning regulation.

## Be it enacted by the People of the State of Illinois,

## **represented in the General Assembly:**

- 4 Section 5. The State Finance Act is amended by adding
- 5 Section 5.970 as follows:
- 6 (30 ILCS 105/5.970 new)
- 7 Sec. 5.970. The Collegiate Sport Services Fund.
- 8 Section 10. The Sports Wagering Act is amended by changing
- 9 Sections 25-10, 25-90, and 25-100 as follows:
- 10 (230 ILCS 45/25-10)
- 11 Sec. 25-10. Definitions. As used in this Act:
- 12 "Adjusted gross sports wagering receipts" means a master
- 13 sports wagering licensee's gross sports wagering receipts,
- less winnings paid to wagerers in such games.
- "Athlete" means any current or former professional athlete
- or collegiate athlete.
- 17 "Autonomy institution of higher education" means an
- 18 Illinois institution of higher education that is a member
- institution of a conference named in Constitution 4.3.4(a) of
- 20 the NCAA 2021-22 Division I Manual or any similar
- 21 classification in a successor publication.

1 "Board" means the Illinois Gaming Board.

"Covered persons" includes athletes; umpires, referees, and officials; personnel associated with clubs, teams, leagues, and athletic associations; medical professionals (including athletic trainers) who provide services to athletes and players; and the family members and associates of these persons where required to serve the purposes of this Act.

"Department" means the Department of the Lottery.

"Division I institution of higher education" means an Illinois institution of higher education classified as being in Division I under the NCAA 2021-22 Division I Manual or any similar classification in a successor publication. Each campus of a university that operates a Division I athletic program is deemed to be a separate Division I institution of higher education.

"Football Championship Subdivision institution of higher education" means an Illinois institution of higher education that is a member institution of one or more conferences named in Constitution 4.3.4(c) of the NCAA 2021-22 Division I Manual or any similar classification in a successor publication and has a football program that competes in the NCAA Football Championship Subdivision.

"Gaming facility" means a facility at which gambling operations are conducted under the Illinois Gambling Act, pari-mutuel wagering is conducted under the Illinois Horse Racing Act of 1975, or sports wagering is conducted under this

1 Act.

2 "NCAA" means the National Collegiate Athletic Association.

3 "Non-autonomy institution of higher education" means an

Illinois institution of higher education that is a member

institution of a conference named in Constitution 4.3.4(b) of

the NCAA 2021-22 Division I Manual or any similar

classification in a successor publication.

"Non-Football Championship Subdivision institution of higher education" means an Illinois institution of higher education that is a member institution of one or more conferences named in Constitution 4.3.4(c) of the NCAA 2021-22

Division I Manual or any similar classification in a successor publication and has a basketball program that competes in Division I but does not have a football program that competes in the NCAA Football Championship Subdivision.

"Official league data" means statistics, results, outcomes, and other data related to a sports event obtained pursuant to an agreement with the relevant sports governing body, or an entity expressly authorized by the sports governing body to provide such information to licensees, that authorizes the use of such data for determining the outcome of tier 2 sports wagers on such sports events.

"Organization licensee" has the meaning given to that term in the Illinois Horse Racing Act of 1975.

"Owners licensee" means the holder of an owners license under the Illinois Gambling Act.

"Person" means an individual, partnership, committee, association, corporation, or any other organization or group

3 of persons.

"Personal biometric data" means an athlete's information derived from DNA, heart rate, blood pressure, perspiration rate, internal or external body temperature, hormone levels, glucose levels, hydration levels, vitamin levels, bone density, muscle density, and sleep patterns.

"Prohibited conduct" includes any statement, action, and other communication intended to influence, manipulate, or control a betting outcome of a sporting contest or of any individual occurrence or performance in a sporting contest in exchange for financial gain or to avoid financial or physical harm. "Prohibited conduct" includes statements, actions, and communications made to a covered person by a third party, such as a family member or through social media. "Prohibited conduct" does not include statements, actions, or communications made or sanctioned by a team or sports governing body.

"Qualified applicant" means an applicant for a license under this Act whose application meets the mandatory minimum qualification criteria as required by the Board.

"Sporting contest" means a sports event or game on which the State allows sports wagering to occur under this Act.

"Sports event" means a professional sport or athletic event, a collegiate sport or athletic event, a motor race

event, or any other event or competition of relative skill authorized by the Board under this Act.

"Sports facility" means a facility that hosts sports events and holds a seating capacity greater than 17,000 persons, except in a municipality with a population of more than 1,000,000, a seating capacity greater than 10,000 persons.

"Sports governing body" means the organization that prescribes final rules and enforces codes of conduct with respect to a sports event and participants therein.

"Sports wagering" means accepting wagers on sports events or portions of sports events, or on the individual performance statistics of athletes in a sports event or combination of sports events, by any system or method of wagering, including, but not limited to, in person or over the Internet through websites and on mobile devices. "Sports wagering" includes, but is not limited to, single-game bets, teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets, proposition bets, and straight bets.

"Sports wagering account" means a financial record established by a master sports wagering licensee for an individual patron in which the patron may deposit and withdraw funds for sports wagering and other authorized purchases and to which the master sports wagering licensee may credit winnings or other amounts due to that patron or authorized by that patron.

- 1 "Tier 1 sports wager" means a sports wager that is
- 2 determined solely by the final score or final outcome of the
- 3 sports event and is placed before the sports event has begun.
- 4 "Tier 2 sports wager" means a sports wager that is not a
- 5 tier 1 sports wager.
- 6 "Wager" means a sum of money or thing of value risked on an
- 7 uncertain occurrence.
- 8 "Winning bidder" means a qualified applicant for a master
- 9 sports wagering license chosen through the competitive
- selection process under Section 25-45.
- 11 (Source: P.A. 101-31, eff. 6-28-19; 102-689, eff. 12-17-21.)
- 12 (230 ILCS 45/25-90)
- 13 Sec. 25-90. Tax; Sports Wagering Fund.
- 14 (a) For the privilege of holding a license to operate
- 15 sports wagering under this Act, this State shall impose and
- 16 collect 15% of a master sports wagering licensee's adjusted
- 17 gross sports wagering receipts from sports wagering. The
- 18 accrual method of accounting shall be used for purposes of
- 19 calculating the amount of the tax owed by the licensee.
- The taxes levied and collected pursuant to this subsection
- 21 (a) are due and payable to the Board no later than the last day
- 22 of the month following the calendar month in which the
- 23 adjusted gross sports wagering receipts were received and the
- tax obligation was accrued.
- (a-5) In addition to the tax imposed under subsection (a)

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of this Section, for the privilege of holding a license to operate sports wagering under this Act, the State shall impose and collect 2% of the adjusted gross receipts from sports wagers that are placed within a home rule county with a population of over 3,000,000 inhabitants, which shall be paid, subject to appropriation from the General Assembly, from the Sports Wagering Fund to that home rule county for the purpose of enhancing the county's criminal justice system.

- The Sports Wagering Fund is hereby created as a (b) special fund in the State treasury. Except as otherwise provided in this Act, all moneys collected under this Act by the Board shall be deposited into the Sports Wagering Fund. On the 25th of each month, any moneys remaining in the Sports Wagering Fund in excess of the anticipated monthly expenditures from the Fund through the next month, certified by the Board to the State Comptroller, shall be transferred by the State Comptroller and the State Treasurer as follows:
  - (1) 6% of the moneys in the Sports Wagering Fund that are attributable to sports wagering on collegiate sport or athletic events shall be transferred to the Collegiate Sport Services Fund; and
- (2) the remainder shall be transferred to the Capital Projects Fund.
- (c) Beginning with July 2021, and on a monthly basis thereafter, the Board shall certify to the State Comptroller

- 1 the amount of license fees collected in the month for initial
- 2 licenses issued under this Act, except for occupational
- 3 licenses. As soon after certification as practicable, the
- 4 State Comptroller shall direct and the State Treasurer shall
- 5 transfer the certified amount from the Sports Wagering Fund to
- 6 the Rebuild Illinois Projects Fund.
- 7 (d) The Collegiate Sport Services Fund is created as a
- 8 special fund in the State treasury. Moneys in the Fund shall be
- 9 used for support services in relation to collegiate athlete
- 10 mental health, monitoring of sport wagering activities and
- 11 compliance services, and the establishment and maintenance of
- 12 a line of communication for athletic departments of Division I
- institutions of higher education to report issues to the
- 14 Board. Moneys in the Fund shall be distributed as follows:
- 15 (1) 20% to each autonomy institution of higher
- 16 education.
- 17 (2) 10% to each non-autonomy institution of higher
- 18 education.
- 19 (3) 6.2% to each Football Championship Subdivision
- 20 institution of higher education.
- 21 (4) 4.2% to each Non-Football Championship Subdivision
- institution of higher education.
- 23 (Source: P.A. 101-31, eff. 6-28-19; 102-16, eff. 6-17-21;
- 24 102-687, eff. 12-17-21.)
- 25 (230 ILCS 45/25-100)

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- Sec. 25-100. <u>Exclusion</u> <del>Voluntary self-exclusion</del> program for sports wagering.
  - (a) Any resident, or non-resident if allowed to participate in sports wagering, may voluntarily prohibit himself or herself from establishing a sports wagering account with a licensee under this Act. The Board and Department shall incorporate the voluntary self-exclusion program for sports wagering into any existing self-exclusion program that it operates on the effective date of this Act.
- 10 (b) Each Division I institution of higher education may 11 provide a list of names of collegiate athletes and staff 12 members to the Board if the Board deems it appropriate to 13 prohibit those persons from engaging in sports wagering under 14 this Act. The Board shall require licensees to: (1) prohibit each of the collegiate athletes and staff members named by the 15 institution from establishing a sports wagering account under 16 17 this Act; and (2) close any accounts that were opened by the collegiate athletes and staff members before their names were 18 19 provided to the Board. Each Division I institution of higher 20 education may add to or remove names from its list from time to 21 time by notifying the Board.
- 22 (Source: P.A. 101-31, eff. 6-28-19.)